

In this column a few weeks ago, I addressed what has become the predominant issue on the minds of many people across the country - the economy. And in recent weeks, it has become unequivocally clear that from Main Street to Wall Street the economy is troubled.

To determine the best government response to turn this economic slowdown around, Congressional leaders from both parties have been meeting over the past couple of weeks with President Bush and his Administration. Our goals were to provide working Americans who are struggling in these difficult economic times with timely, targeted and temporary relief to those that need it most and to quickly give our economy a shot in the arm.

I am pleased to report that we have accomplished both goals, putting forth an economic stimulus package that we hope will provide a much-needed boost to the economy, create more good-paying jobs, and stem the financial pain of millions of Americans.

The centerpiece of the stimulus package is a tax rebate that will be delivered directly into the pocketbooks of working families. Single tax-filers who make \$75,000 or less would receive a rebate of as much as \$600 (\$1,200 for joint filers with up to \$150,000 income), plus \$300 per child. Tax relief begins to phase out above these income levels.

The economic stimulus also includes incentives for small businesses to create jobs, invest in new plants and equipment, and spur economic growth. Specifically, it will double the amount small businesses can write off their taxes for new investments in 2008 from \$125,000 to \$250,000 and increase the number of businesses that are eligible for this tax relief.

And finally, to address another critical issue affecting many American homeowners, the package includes significant mortgage lending reforms-including a one-year increase in Fannie Mae's and Freddie Mac's conforming loan limits (from \$417,000 to a maximum of \$729,750), and a permanent increase in the Federal Housing Agency loan limit from the current \$367,000 up to a maximum of \$729,750. The legislation will also include other changes that immediately help families facing foreclosure refinance their loans and get the housing counseling they may need.

We are particularly pleased that, under this package, 35 million working families who would not otherwise have been helped will receive tax relief this spring, and that 117 million families in all will receive a stimulus check. Economists estimate that each dollar of broad tax cuts leads to \$1.26 in economic growth, and we believe that putting money into the hands of people who will spend it is one of the most effective ways to inject that money back into the economy.

I am disappointed, however, that our Republican colleagues ruled out including an extension of unemployment insurance benefits and increasing food stamps in this package - provisions that would provide an immediate bang for the buck and help stimulate our economy, according to economists on both sides of the aisle. We will continue to look at these and other provisions in the days ahead.

While this package is not a silver bullet to address the entirety of our nation's economic woes, we do believe that it will provide a much-needed shot in the arm to our struggling economy and alleviate the pressure on millions of Americans who have been squeezed by worsening economic conditions.

In addition to the stimulus package, we are hopeful that measures already passed by the 110th Congress last year will work to stabilize and grow the economy in the long term. Those measures include: an increase in the minimum wage; a series of tax credits to spur small business growth; an energy bill which invests in clean energy and the development of innovative new technologies; an investment in higher education, which every economist says is the secret of long-term economic success; and a number of bills dealing with homeownership to help Americans caught up in the subprime mortgage crisis.

Moving forward, it is my hope and expectation that the House of Representatives will consider this stimulus package quickly. And, I hope the Senate will do likewise. It is imperative that this streamlined and focused stimulus package not be loaded down with extraneous provisions that slow passage and delay relief for millions of Americans.

It is also my hope that the bipartisan coordination and agreement that produced the stimulus package will serve as a model for addressing other challenges that may arise from a weakened economy. With so much at stake, it is vital to continue down a path that yields results for the American people.

